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World Production and Trade

United States
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Foreign
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Service

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Weekly
Roundup

WR 24-88

June 16, 1988

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

MOROCCAN Grain Imports Projected To Fall. A near-record 1988 Moroccan grain harvest is expected to result in substantially lower wheat and corn imports during marketing year 1988/89 (July/June). Morocco's domestic grain supplies are forecast to be up by one-half over 1987 levels. Moreover, Morocco is expected to export barley for the first time in 15 years.

AUSTRALIAN Sorghum Supplies Forecast Down. Estimates of Australia's exportable sorghum supplies for marketing year 1988/89 (March/Feb) are down by 215,000 tons (24 percent) from previous estimates as a result of a smaller harvest. Australia accounts for about 10 percent of total world sorghum exports and is the world's third largest sorghum exporter after the United States and Argentina. A corresponding 250,000-ton drop in the 1987/88 October/September export estimate may enhance the opportunity for increased U.S. sorghum sales in both 1987/88 and 1988/89 (Oct./Sept.)

OILSEEDS AND PRODUCTS

CHINA Releases Official Oilseed Trade Data. China has reported its trade data for 1987, including the following export data for oilseeds: 1.7 million tons of soybeans, 268,000 tons of peanuts, 261,000 tons of other oilseeds, 56,000 tons of edible vegetable oil and 31,000 tons of tung oil. Imports for 1987 were 521,000 tons of edible vegetable oil, 328,000 tons of other vegetable oils and 270,000 tons of soybeans. USDA forecasts that China will import 926,000 tons of edible vegetable oil in 1987/88, making it the world's third largest importer of vegetable oil, following India and Pakistan.

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SALLY KLUSARITZ, Editor, Tel. (202) 447-3448. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5920-S, Washington, D.C. 20250-1000. Tel. (202) 447-7937.

EXCHANGE Rec'd
JUN 24 1988

DAIRY, LIVESTOCK AND POULTRY

EUROPEAN COMMUNITY Reduces Nonfat Dry Milk and Casein Subsidies. The European Community (EC) Commission lowered the export subsidy for nonfat dry milk by \$162 per ton as supplies of milk powder tightened within the EC and worldwide. Effective June 6, the Commission reduced the subsidy on nonfat dry milk for animal feed and liquid skim milk for calf feed by 12.5 percent and reduced the minimum amount of nonfat dry milk required in calf milk replacer from 60 percent to 45 percent. Effective June 20, the subsidy on liquid skim milk for casein manufacture will be lowered by 12.5 percent. All of these actions are being taken to conserve liquid and dried skim milk supplies. The reduced nonfat dry milk export subsidies and lower casein manufacturing subsidies will help push already strong international prices for these products even higher.

World prices for new nonfat dry milk (less than 180 days old) currently range from \$1,600 to \$1,650 per ton free on board--levels comparable to U.S. domestic prices. The recent action by the EC Commission will likely strengthen world prices even more in the near term. This situation may provide an opportunity for commercial U.S. exports of nonfat dry milk.

MEXICO Increases Cattle Export Quota. Mexico has increased its 1987/88 (Sept/Aug) feeder cattle export quota from 1,080,000 to 1,230,000 head. Severe drought in northwest Mexico has sharply reduced pasture lands in the important cattle states of Chihuahua and Coahuila and is the major factor behind the higher quota. This decision is expected to result in an additional 150,000 head of Mexican feeder cattle exports to the United States during June through August. The Mexican Cattle Confederation requested the higher 1987/88 quota and has proposed an elimination of the export quota.

EGYPT Expected To Permit Letters of Credit for Poultry Imports. Egypt reportedly is about to permit letters of credit to be opened for the import of poultry. Due to domestic supply shortages, Egypt may soon resume importing poultry meat. A Ministry of Supply spokesman said it would import poultry meat for its own account. If this occurs, it is expected to be through public bids; government tenders will be only for whole birds. On June 7, USDA announced a 5,000-ton allocation of frozen poultry to Egypt under the Export Enhancement Program. Sales of frozen poultry will be made to the General Authority for Supply Commodities in Egypt.

EGYPTIAN Poultry Output Affected by Feed Supplies. Egyptian poultry meat production totaled 150,000 tons in 1987, 6 percent below the 1986 level, according to a report by the U.S. agricultural counselor in Cairo. Production in 1988 is forecast to remain at the 1987 level. Egg production in 1987 was 2.1 billion eggs, down about 5 percent. Another decline of about the same magnitude is forecast for 1988. Most of the problems faced by the poultry industry are due to unstable feed supplies and rising prices of feed. Government-controlled selling prices are an additional constraint for meat producers. New governmental policies on feed grain imports, effective June 1988, are expected to help stabilize the availability of feeds for poultry meat and egg producers which in turn should facilitate an increase in both in 1989.

BRAZILIAN Broiler Producers Face Difficulties. Brazilian broiler output is forecast to total 1.8 million tons in 1988, the same as 1987 according to a report from the U.S. agricultural counselor in Brasilia. After rising rapidly for several years, broiler production is being constrained by 1) reduced consumer spending due to poor economic conditions within Brazil, 2) stabilized supplies and prices for beef which tend to limit the potential for poultry price rises even as feed prices are rising, and 3) rather poor export prospects. As a result of these negative factors, industry analysts estimate that during the first quarter of 1988, one-fourth of Brazil's broiler production facilities were idle.

COTTON

BRAZILIAN Cotton Production Expected To Increase. According to the U.S. agricultural officer in Sao Paulo, Brazil's 1988/89 cotton crop is expected to be higher than last year, primarily due to an expansion in planted area in the Center-South. Domestic cotton prices have risen sharply in recent months, and shifts to cotton from other crops such as corn are likely if the trend continues. In the Northeast, yields are expected to recover from last season's drought-reduced levels.

COFFEE

WORLD Coffee Production Forecast To Decrease Significantly. The first USDA forecast of world green coffee production for 1988/89 is 93.2 million 60-kilogram bags, down 10 percent from the revised 103.5 million-bag record harvest of a year earlier but 17 percent more than the 1986/87 crop which included a drought-reduced harvest in Brazil, the world's largest producer. Virtually the entire projected decrease can be attributed to South American production that is forecast down 24 percent from a year earlier. Changes in other regions were as follows: North and Central America and the Caribbean, up 4 percent; Africa, up 3 percent; Oceania, up 1 percent; Asia, up 18 percent.

Brazil is expected to harvest an off-year crop of 25.0 million bags in 1988/89, down 34 percent or 13 million bags from last season. Weather factors in Brazil have been quite favorable for the development of the 1988/89 crop as well as rejuvenating the off-year coffee trees for the following year's crop. Well-distributed rainfall during November through March insured normal development of coffee cherries and the absence of rain during the May and June will enhance the cup quality. Coffee tree planting has been increasing in both traditional and new areas. Between September 1986 and February 1988, a total of 175 million coffee seedlings are estimated to have been planted as a result of attractive grower prices during 1986. Most of the recent plantings are located in the newly opened land in central and western Minas Gerais state, north of the areas vulnerable to frost. The 1988/89 crop is to be harvested from a total tree population estimated at slightly more than 4 billion.

In Colombia, coffee production in 1988/89 is forecast at 12.5 million bags down 6 percent from last year's crop that has been revised upward to 13.3 million bags. Colombian growers continue to plant the rust-resistant "Colombia" variety in an effort to control rust. Rust continues to spread into new areas and currently affects 70 percent of the total coffee area. However, coffee yields are increasing as a result of better management, especially with greater fertilizer applications and more rust detection and control. The improved care of plantations was induced by higher real prices to growers, a trend that is expected to continue into the near future.

Ecuador's coffee production in 1988/89 is forecast at 1.66 million bags, up 6 percent from last year's revised 1.56 million-bag crop. In order to increase coffee revenues, Ecuador is renovating old coffee plantations. The National Development Bank grants producers credits of up to seven years with relatively low interest rates. However, some producers have difficulty obtaining the credit because of land tenure problems.

The 1988/89 coffee harvest for North and Central America is forecast at 17.0 million bags, up 4 percent from last year's output. Mexico, the largest producer in this region, is forecast to produce a bumper crop of 5.1 million-bag crop, 10 percent above a year ago but 4 percent below the previous record set in 1986/87. The 1988/89 increase is mostly attributed to rains which promoted good flowerings in the main producing states. Better cultivation practices and introduction of higher yielding varieties is expected to maintain high levels of coffee production, in the short term. Two large facilities were opened in the states of Veracruz and Puebla to produce decaffeinated coffee in 1987. These plants require large amounts of coffee.

Guatemala's 1988/89 coffee production is forecast at 2.6 million-bags, down 2 percent from last season and less than what is currently considered a normal crop of 2.8 million bags. The decline is attributed to weather irregularities. The dryness in late 1987 and early 1988 had an adverse effect on the upcoming crop and high winds in January 1988 damaged some of the trees. The drier weather has held coffee pest problems to a minimum. The coffee production forecast for Costa Rica in 1988/89 of 2.6 bags is up 4 percent from the previous season. In Honduras, production of 1.6 million bags is up 7 percent from last year.

In El Salvador, 1988/89 coffee production is forecast at 2.1 million bags, a continuation of the historical downward trend that dates back to the 1970's. Poor weather was a major cause of recent declines but the longer term decline stems from poor cultivation practices, such as improper pruning, limited fertilizer application and hurried harvesting. These conditions are expected to continue, at least for the near term.

Africa's 1988/89 coffee crop is forecast at 21.6 million bags, 3 percent more than the previous season. In Cote d'Ivoire, the forecast of 4.2 million bags is down 8 percent from last year. The expected decline is a result of leaf shedding brought about by high temperatures and the absence of rains from November to early February, the large number of pruned trees out of production and low yields from the high proportion of aged plantations. Kenya's 1988/89 crop is forecast at 1.8 million bags, 11 percent less than harvested in 1987/88, primarily due to overbearing dieback. The incidence of coffee berry disease that coincided with applications of fungicides and fertilizer is also depressing prospective yields. Demand for the new disease-resistant coffee variety, Ruiru 11, continues to outstrip supply. About 4 million seeds are supplied to cooperative nurseries each year against an estimated annual demand of 11 million. Current policy emphasizes increased production of high-quality coffee and a lowering of production costs. The instruments promoted to achieve these objectives are to adopt Ruiru 11, encourage higher plant densities, rehabilitate Robusta in the western and coastal regions and increase area slightly.

Asian 1988/89 coffee production is forecast at 11.3 million bags, 18 percent above last year, mostly due to an expected 1.5-million-bag increase in India's forecast. The forecast for India of a record 3.5 million bags is an increase of 75 percent over last season's drought-ridden crop. Good rains in February/March followed by recent April/early May rains significantly improved the new crop prospects in all coffee-growing states in India. The forecast for Indonesia, the largest coffee growing country in this region, is 5.8 million bags, unchanged from last season. Current price levels are not high enough to stimulate the use of additional inputs that could increase production and the longer term outlook for coffee production in Indonesia is one of little change.

Coffee production estimates by region are as follows in 1,000 60-kilogram bags:

Region	Revised 1987/88	Forecast 1988/89
North and Central America and the Caribbean	16,338	16,957
South America	55,646	42,297
Africa	20,919	21,575
Asia	9,576	11,275
Oceania	1,048	1,056
Total	103,527	93,160

EXPORT ENHANCEMENT INITIATIVES

The status of USDA's Export Enhancement Program as of June 10, 1988, was as follows in metric tons:

ANNOUNCED INITIATIVES	DATE ANNOUNCED	QUANTITY/RESULTS
102. Kenya wheat	May 6, '88	100,000
101. Central African Republic wheat flour	April 28, '88	40,000
100. Benin wheat flour	April 25, '88	50,000
99. West Africa frozen poultry (Benin, Cameroon, Cote d'Ivoire, Gabon, Ghana, Guinea, Liberia, Senegal, Sierra Leone, Togo)	April 18, '88	5,000 Sold 1,700
98. German Dem. Rep. wheat	April 14, '88	130,000
97. India wheat	April 13, '88	1,200,000 Sold 1,000,000
96. Peru barley malt	March 31, '88	20,000
95. Cameroon barley malt	March 25, '88	20,000
94. Burundi wheat	Feb. 8, '88	10,000
93. Central American countries barley malt (Costa Rica, El Salvador, Guatemala, Honduras)	Jan. 27, '88	40,000 Sold 2,000
92. Turkey vegetable oil	Jan. 6, '88	80,000 COMPLETE
91. Algeria barley malt	Dec. 30, '87	10,000 Sold 3,300
90. Iraq barley malt	Dec. 23, '87	5,000
89. Burundi barley malt	Dec. 16, '87	15,000
88. Lebanon wheat	Dec. 11, '87	150,000
87. Finland wheat	Dec. 9, '87	50,000 COMPLETE
	Jan. 21, '88	50,000 Sold 32,500
	March 4, '88	150,000
86. Mexico wheat	Dec. 2, '87	200,000 COMPLETE
	March 3, '88	600,000 Sold 180,000
85. Zaire frozen poultry	Nov. 30, '87	7,000
84. China dairy cattle	Nov. 18, '87	3,000 head Sold 185
	April 29, '88	Balance withdrawn
83. Bulgaria barley	Nov. 17, '87	150,000 COMPLETE
82. Bulgaria wheat	Nov. 17, '87	150,000 COMPLETE
	Jan. 4, '88	200,000
81. Gulf countries frozen poultry (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates)	Nov. 3, '87	16,000 Sold 4,022
80. Saudi Arabia frozen poultry	Nov. 3, '87	20,000 Sold 500
79. Hungary barley	Oct. 30, '87	100,000
78. Algeria vegetable oil	Oct. 22, '87	60,000 COMPLETE
	April 8, '88	60,000 Sold 4,000

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

77. Morocco vegetable oil	Oct. 13, '87	60,000	Sold 27,000
76. Tunisia vegetable oil	Sept. 24, '87	60,000	COMPLETE
75. Singapore frozen poultry	Sept. 24, '87	2,000	Sold 182.3
74. Near East table eggs (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, Yemen)	Aug. 27, '87 April 15, '88	50 million eggs 60 million eggs	COMPLETE Sold 30 million eggs
73. Saudi Arabia dairy cattle	Aug. 27, '87 April 29, '88	2,000 head	Sold 1,870 head Balance withdrawn
72. Iraq barley	Aug. 10, '87 Dec. 28, '87	150,000 100,000	COMPLETE COMPLETE
71. Brazil wheat	July 30, '87	300,000	Sold 66,000
70. Colombia wheat	July 30, '87	300,000	Sold 260,000
69. Israel wheat	May 29, '87 April 18, '88	200,000	Withdrawn
68. Bangladesh wheat	May 22, '87 July 8, '87 Aug. 12, '87 Sept. 10, '87	100,000 50,000 150,000 300,000	COMPLETE COMPLETE Sold 144,500
67. Soviet Union wheat	April 30, '87 Oct. 15, '87 Nov. 9, '87 Nov. 27, '87 Jan. 29, '88 March 18, '88 April 4, '88	4,000,000 65,000 2,400,000 2,350,000 2,000,000 1,000,000 1,000,000	COMPLETE COMPLETE COMPLETE COMPLETE COMPLETE COMPLETE Sold 989,800
66. Turkey rice	April 3, '87	70,000	COMPLETE
65. Colombia barley malt	April 3, '87	15,000	COMPLETE
64. Iraq table eggs	Feb. 20, '87 April 22, '88	189 million eggs 96 million eggs	Sold 178 million
63. Canary Islands poultry	Feb. 9, '87 May 10, '88	5,000 1,000	COMPLETE
62. Nigeria wheat	Jan. 28, '87	500,000	
61. China wheat	Jan. 26, '87 Aug. 18, '87 Nov. 17, '87 Dec. 11, '87 Feb. 5, '88 April 5, '88	1,000,000 1,000,000 1,000,000 1,000,000 1,200,000 2,000,000	COMPLETE COMPLETE COMPLETE COMPLETE COMPLETE Sold 740,000
60. Iraq wheat	Jan. 16, '87 Oct. 26, '87	800,000 1,000,000	COMPLETE Sold 422,000
59. Switzerland barley or sorghum	Jan. 16, '87	250,000	Sold 9,000
58. Poland wheat	Jan. 7, '87 July 2, '87 Dec. 1, '87 March 22, '88	500,000 500,000 1,000,000 500,000	COMPLETE COMPLETE Sold 975,000

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

57.	Poland barley or sorghum	Dec. 31, '86	200,000	COMPLETE
		Dec. 14, '87	500,000	Sold 205,000
56.	Romania wheat	Dec. 23, '86	250,000	
55.	Iraq poultry	Dec. 22, '86	60,000	COMPLETE
		Oct. 2, '87	10,000	Sold 5,000
		Nov. 25, '87	30,000	
54.	Dominican Republic table eggs	Dec. 9, '86	25 million eggs	Sold 11.1 million eggs
53.	Zanzibar wheat flour	Dec. 9, '86	20,000	Sold 6,000
52.	Tunisia barley	Dec. 1, '86	150,000	COMPLETE
		March 23, '88	350,000	
51.	Gulf countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates) dairy cattle	Oct. 30, '86	1,500 head	COMPLETE
		Aug. 27, '87	1,500 head	Sold 24 head
		April 29, '88		Balance withdrawn
50.	West Africa (Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Ghana, Gabon, Liberia, Niger, Togo) wheat	Oct. 30, '86	345,000	Sold 233,100
		June 15, '87	185,000	
		Feb. 4, '88	50,000	
49.	Dominican Republic poultry	Oct. 29, '86	1,500	COMPLETE
		Jan. 12, '88	2,000	
48.	Philippines barley malt	Oct. 20, '86	60,000	Sold 46,000
47.	Cameroon wheat flour	Oct. 14, '86	20,000	COMPLETE
		May 26, '88	35,000	
46.	Romania barley	Sept. 24, '86	200,000	Sold 125,000
45.	Venezuela barley malt	Sept. 4, '86	100,000	
44.	Cyprus barley	Aug. 26, '86	150,000	Sold 130,000
43.	Canary Islands wheat	Aug. 8, '86	100,000	Sold 7,300
42.	Egypt semolina	Aug. 6, '86	30,000	Sold 23,000
		Sept. 29, 1987		Balance withdrawn
41.	Soviet Union wheat	Aug. 1, '86	4,000,000	EXPIRED
40.	Canary Is. dairy cattle	July 28, '86	3,000 head	Sold 2,985
		April 29, '88		Balance withdrawn
39.	Hong Kong table eggs	July 28, '86	44 million eggs	COMPLETE
		Nov. 16, '87	48 million eggs	COMPLETE
		June 7, '88	48 million eggs	
38.	Senegal wheat	July 17, '86	100,000	COMPLETE
		Sept. 11, '87	110,000	
37.	India vegetable oil	July 8, '86	25,000	COMPLETE
		Dec. 15, '87	300,000	Sold 120,000
36.	Jordan barley	June 17, '86	60,000	COMPLETE
		Nov. 12, '86	100,000	
35.	Israel barley	June 17, '86	200,000	COMPLETE
		Sept. 14, '87	200,000	COMPLETE (206,200)
		April 27, '88	200,000	Sold 30,000

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

34. Tunisia dairy cattle	May 29, '86	4,000 head	COMPLETE
33. Algeria dairy cattle	May 29, '86	5,000 head	COMPLETE
32. Sri Lanka wheat	May 16, '86	125,000	COMPLETE
	March 5, '87	95,000	COMPLETE
	Aug. 20, '87	240,000	Sold 140,000
31. Saudi Arabia barley	May 7, '86	500,000	COMPLETE
	Aug. 6, '86	250,000	COMPLETE
	Sept. 16, '86	300,000	COMPLETE
	Oct. 8, '86	200,000	COMPLETE (201,000)
	Jan. 5, '87	1,250,000	COMPLETE
	May 15, '87	500,000	COMPLETE
	Aug. 4, '87	500,000	COMPLETE
	April 18, '88	250,000	COMPLETE
	June 7, '88	300,000	
30. Algeria barley	Apr. 17, '86	500,000	COMPLETE
	April 18, '88	200,000	Sold 198,000
29. Morocco dairy cattle	April 16, '86	4,000 head	COMPLETE
	Dec. 8, '87	7,500 head	
	April 29, '88		Balance withdrawn
28. Turkey dairy cattle	April 16, '86	5,000 head	COMPLETE
	June 18, '86	5,000 head	COMPLETE
	Nov. 18, '87	10,000 head	
	April 29, '88		Balance withdrawn
27. Egypt dairy cattle	April 16, '86	6,000 head	COMPLETE
	Sept. 12, '86	10,000 head	Sold 3,681
	Oct. 19, '87		Withdrawn
26. Yemen poultry feed	April 14, '86	150,000	Sold 111,468
	Dec. 1, '87	186,500	
25. Yugoslavia wheat	April 10, '86	200,000	COMPLETE
	June 24, '86	200,000	COMPLETE
	Oct. 7, '86	500,000	Sold 417,050
	Oct. 19, '87	500,000	
24. Indonesia dairy cattle	April 9, '86	7,500 head	COMPLETE
	June 18, '87	8,000 head	COMPLETE
	Oct. 5, '87	8,000 head	Sold 4,000
	April 29, '88		Balance withdrawn
23. Syria wheat	April 8, '86	700,000	CANCELED
22. Benin wheat (remaining 15,000 tons transferred to West Africa	April 7, '86	45,000	COMPLETE
21. Algeria table eggs	April 4, '86	500 million	eggs
	Sept. 29, '87		Withdrawn
20. Iraq dairy cattle	April 4, '86	6,500 head	Sold 6,028
	April 29, '88		Balance withdrawn

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

19. Jordan wheat	March 19, '86	75,000	COMPLETE
	June 20, '86	75,000	COMPLETE
	Dec. 31, '86	225,000	COMPLETE
	March 2, '86	350,000	
18. Tunisia wheat	March 18, '86	300,000	COMPLETE
	Aug. 22, '86	800,000	Sold 775,000
	Feb. 3, '88	725,000	
17. Algeria wheat flour	Feb. 25, '86	100,000	
	Sept. 29, '87		Withdrawn
16. Algeria semolina	Feb. 11, '86	250,000	Sold 30,000
	Oct. 9, '87	Allocation reduced	COMPLETE
	Oct. 9, '87	50,000	
15. Philippines wheat	Jan. 7, '86	150,000	COMPLETE (152,400)
	Aug. 10, '87	500,000	COMPLETE
	Feb. 11, '88	500,000	Sold 445,000
14. Zaire wheat	Dec. 27, '85	35,000	COMPLETE
	May 15, '86	45,000	COMPLETE
	Oct. 10, '86	40,000	COMPLETE
	July 16, '87	80,000	COMPLETE
	Feb. 4, '88	160,000	Sold 7,000
13. Nigeria barley malt	Dec. 10, '85	100,000	Sold 93,464
12. Iraq wheat flour	Dec. 9, '85	150,000	COMPLETE
	Jan. 7, '87	175,000	Sold 75,000
11. Egypt poultry	Nov. 26, '85	8,000	COMPLETE
	March 21, '86	15,000	COMPLETE
	June 18, '86	5,000	COMPLETE
	July 8, '86	15,000	COMPLETE
	Dec. 19, '86	25,000	COMPLETE
	Feb. 27, '87	6,000	COMPLETE
	June 7, '88	5,000	
10. Zaire wheat flour	Nov. 18, '85	64,000	COMPLETE
	May 15, '86	30,000	COMPLETE
	April 20, '88	45,000	
9. Philippines wheat flour	Nov. 15, '85	100,000	Sold 50,000
	Sept. 29, '87		Balance withdrawn
8. Jordan rice	Nov. 8, '85	40,000	COMPLETE
	Jan. 13, '87	60,000	Sold 35,400
7. Turkey wheat	Oct. 16, '85	500,000	COMPLETE (506,600)
	May 8, '86	500,000	Sold 248,000
6. Morocco wheat	Sept. 30, '85	1,500,000	COMPLETE
	Dec. 9, '86	790,000	COMPLETE
	July 1, '87	500,000	COMPLETE
	Nov. 23, '87	1,500,000	Sold 650,000
5. Yemen wheat	Sept. 6, '85	100,000	COMPLETE
	Jan. 26, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	COMPLETE
	May 31, '88	100,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

4. Yemen wheat flour	Aug. 20, '85	50,000	COMPLETE
	April 14, '86	100,000	COMPLETE
	May 18, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	Sold 16,040
3. Egypt wheat	July 26, '85	500,000	COMPLETE
	Oct. 30, '85	500,000	COMPLETE
			(512,500)
	June 24, '86	500,000	COMPLETE
	July 29, '86	52,000	COMPLETE
	Oct. 8, '86	1,000,000	COMPLETE
	July 8, '87	500,000	COMPLETE
	Nov. 30, '87	1,000,000	Sold 967,500
	May 11, '88	1,000,000	
2. Egypt wheat flour	July 2, '85	600,000	COMPLETE
	Aug. 6, '86	600,000	Sold 356,000
1. Algeria wheat (ex durum)	June 4, '85	1,000,000	COMPLETE
wheat (ex durum)	April 10, '86	1,000,000	COMPLETE
durum	Nov. 10, '86	300,000	COMPLETE
durum	March 16, '87	300,000	COMPLETE
durum	July 24, '87	300,000	COMPLETE
durum	Oct. 29, '87	300,000	COMPLETE
wheat (all)	Dec. 31, '87	1,000,000	Sold 866,000

EXPORT ENHANCEMENT PROGRAM SUMMARY

Announced as of June 10, 1988

Announced to Date* 63,072,890 tons grains and products (grain equivalent)
 560 million table eggs
 238,500 tons frozen poultry
 64,773 head dairy cattle
 645,000 tons vegetable oil

Sold to Date 41,056,259 tons wheat
 2,221,674 tons flour (grain equivalent)
 5,935,154 tons barley
 72,610 tons semolina (grain equivalent)
 213,013 tons barley malt (grain equivalent)
 229,000 tons sorghum
 145,400 tons rice
 111,468 tons poultry feed
 376,000 tons vegetable oil
 150,223 tons frozen poultry
 64,773 head dairy cattle
 360,950,820 table eggs

Total Sales Value: \$4,974.7 million
 Estimated Bonus Book Value: \$2,901.8 million
 Market Value of Awards: \$2,084.4 million

*Does not include withdrawn programs.

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Selected International Prices

Item	June 14, 1988		Change from	A year
			a week ago	ago
ROTTERDAM PRICES 1/				
	\$ per MT	\$ per bu.	\$ per MT	\$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5% 10/	194.00	5.28	43.01	144.00
U.S. No. 2 DNS/NS: 14% 11/	185.50	5.05	3.50	138.00
U.S. No. 2 S.R.W. 12/	160.50	4.37	-9.50	123.00
No. 3 H.A.D. 11/	221.00	6.01	1.00	163.00
Canadian No. 1 A: Durum 13/	227.00	6.18	44.34	156.00
Feed grains:				
U.S. No. 3 Yellow Corn 14/	123.25	3.13	6.50	N/A
Soybeans and Meal:				
U.S. No. 2 Yellow	341.80	--	--	241.15
Brazil 47/48% Soya Pellets	310.00	--	-8.00	240.00
U.S. 44% Soybean Meal	312.50	--	-10.50	233.00
U.S. FARM PRICES 3/				
Wheat	144.02	--	+26.82	87.44
Barley	86.81	--	+13.32	63.38
Corn	90.55	--	+8.27	66.14
Sorghum	80.47	-2/	+11.03	59.92
Broilers	1,391.10	--	+122.13	N/A
EC IMPORT LEVIES				
Wheat 5/	222.03	6.04	-4.73	240.49
Barley	199.75	4.35	-2.29	226.65
Corn	199.72	5.07	-5.78	204.77
Sorghum	211.97	5.38	-10.11	215.20
Broilers 4/ 6/ 8/	531.00	--	+1.00	529.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	222.28	6.05	-1.12	219.51
Bread wheat (min. quality)	233.08	6.34	-1.19	229.74
Maize	233.08	5.92	-1.19	229.74
Barley and all other feed grains, excluding maize.	222.28	--	-1.12	219.51
Broilers 4/ 6/	1,593.00	--	+37.00	1,645.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	121.02	3.29	-2.69	--
Barley	0	0	-118.56	0
Broilers 4/ 6/ 8/	666.00	--	+1.00	430.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ Aug/Sept delivery. 11/ June/July delivery. 12/ July delivery. 13. Sept./Oct. delivery. 14. June delivery. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.